

FILE COPY

DARLENE GREEN
Comptroller



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS

Internal Audit Section



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February 26, 2007

Bonnie Reece, Executive Director
St. Louis Transitional Hope House
1611 Hodiamont Ave.
St. Louis, MO 63112

RE: Fiscal Monitoring Report of St. Louis Transitional Hope House
Homeless Challenge Program (HCP) (#2007-HOM31)

Dear Ms. Reece:

Enclosed is a report of our fiscal monitoring review of the St. Louis Transitional Hope House (Document #53796) for the period October 1, 2005 through September 30, 2006. The scope of a fiscal monitoring review is substantially less than an audit, and as such, we do not express an opinion on the financial operations of St. Louis Transitional Hope House. Our fieldwork was completed on January 22, 2007.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised and has been conducted in accordance with the International Standards for the Professional Practice of Internal Auditing and through an agreement with the Department of Human Services (DHS) to provide fiscal monitoring to all grant subrecipients. If you have any questions, please contact Charles Schroeder at (314) 589-6089.

Sincerely,

A handwritten signature in black ink that reads "Sedrick D. Blake".

Sedrick D. Blake, CPA
Audit/ Fiscal Executive

Enclosure

cc: Patrick Brennan, Fiscal Manager, Dept. of Human Services



CITY OF ST. LOUIS

**DEPARTMENT OF HUMAN SERVICES (DHS)
HOMELESS SERVICES**

**ST. LOUIS TRANSITIONAL HOPE HOUSE
HOMELESS CHALLENGE PROGRAM (HCP)
DOCUMENT #53796**

FISCAL MONITORING REVIEW

OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

PROJECT #2007-HOM31

DATE ISSUED: FEBRUARY 26, 2007

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

**CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES (DHS)
HOMELESS SERVICES
ST. LOUIS TRANSITIONAL HOPE HOUSE
DOCUMENT #53796
FISCAL MONITORING REVIEW
OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006**

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**CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES (DHS)
HOMELESS SERVICES
ST. LOUIS TRANSITIONAL HOPE HOUSE
DOCUMENT #53796
FISCAL MONITORING REVIEW
OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006**

INTRODUCTION

Background

Contract Name: St. Louis Transitional Hope House

Document Numbers: #53796

Contract Period: OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

Contract Amount: \$33,317

The contract provided funds from the Department of Housing and Urban Development (HUD) Homeless Challenge Program (HCP) to St. Louis Transitional Hope House to provide transitional housing for those individuals that are homeless.

Purpose

The purpose of this fiscal monitoring review was to determine St. Louis Transitional Hope House's (Document #53796) compliance with federal, state and local Department of Human Services (DHS) requirements for the period October 1, 2005 through September 30, 2006. We will make recommendations if necessary.

Scope and Methodology

We made inquiries regarding St. Louis Transitional Hope House's internal controls relating to the grant administered by the Department of Human Services (DHS), tested evidence supporting the reports the Agency submitted to DHS and performed other procedures considered necessary. Our fieldwork was completed on January 22, 2007.

**CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES (DHS)
HOMELESS SERVICES
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DOCUMENT #53796**

**FISCAL MONITORING REVIEW
OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006**

CONCLUSION AND SUMMARY OF OBSERVATIONS

Conclusion

St. Louis Transitional Hope House did fully comply with federal, state and local DHS requirements.

Status of Prior Observations

The Agency's most recent fiscal monitoring report dated November 22, 2006 had one observation. The Agency did not have adequate fidelity bonding.

The observation has been resolved because the Agency has increased the coverage amount to cover the amount of the contract which is required by DHS.

A-133 Status

According to the Agency's financial records, it did expend \$500,000 or more in federal funds for the year ending June 30, 2006, so they would have to file an A-133 audit report. The Agency's audit firm has not completed the A-133 audit report for the fiscal year ended June 30, 2006. This report is due March 31, 2007 without extensions.

The most recent report available, dated October 4, 2005 for fiscal year ended June 30, 2005, contained an unqualified opinion on the financial statements. There were no reportable conditions, findings, or questioned costs on the financial statements or the federal awards, and the Agency was determined to be a low-risk auditee. The Internal Audit Section reviewed the report on June 23, 2006 and recommends that it be accepted.

Summary of Current Observations

There were no observations for this fiscal monitoring review.